

R590. Insurance, Administration. (Effective 7-13-2012)

R590-264. Property and Casualty Opinion Rule.

R590-264-1. Authority.

This rule is promulgated pursuant to the general rulemaking authority vested in the commissioner by Section 31A-2-201, and pursuant to the specific authority of Section 31A-4-113.

R590-264-2. Scope.

This rule applies to all property and casualty insurance companies doing business in this state.

R590-264-3. Purpose.

The purpose of this rule is:

1. Require all property and casualty companies doing business in Utah to prepare annually an Actuarial Opinion Summary providing details of the analysis performed by the Appointed Actuary.

2. Require all property and casualty companies domiciled in Utah to file the Actuarial Opinion Summary with the Utah Insurance commissioner.

3. Allow property and casualty companies doing business in Utah the ability to request confidentiality for the Actuarial Opinion Summary.

R590-264-4. Definitions.

In addition to the definitions in 31A-1-301 the following definitions shall apply for the purposes of this rule.

(1) "Appointed Actuary" means a qualified actuary appointed by the insurance company's board of directors or its equivalent, or by a committee of the board, to provide actuarial opinion to be filed with the company's annual statement.

(2) "Qualified Actuary" means:

(a) a member of the Casualty Actuarial Society; or

(b) a member of the American Academy of Actuaries who has been approved as qualified for signing casualty loss reserves opinions by the Casualty Practice Council of the American Academy of Actuaries.

(3) "Statement of the Actuarial Opinion" means a statement prepared by the Appointed Actuary

(a) setting forth the actuary's opinion relating to the company's reserves; and

(b) prepared in accordance with the appropriate NAIC Property and Casualty Annual Statement Instructions.

R590-264-5. Actuarial Opinion Summary.

(1) Every property and casualty insurance company domiciled in this states that is required to submit a Statement of Actuarial Opinion shall annually file with the commissioner an Actuarial Opinion Summary, prepared and signed by the company's Appointed Actuary.

(2) This Actuarial Opinion Summary shall be prepared in accordance with the appropriate NAIC Property and Casualty Annual Statement Instructions and shall be considered as a document supporting the Actuarial Opinion.

(3) A property and casualty insurance company licensed but not domiciled in this state shall provide the Actuarial Opinion Summary upon request.

R590-264-6. Actuarial Report.

(1) Each Statement of Actuarial Opinion submitted annually by a property and casualty insurance company shall be supported by an Actuarial Report prepared and signed by the company's Appointed Actuary.

(2) The Actuarial Report required by R590-264-5(1) shall be:

(a) prepared in accordance with the appropriate NAIC Property and Casualty Annual Statement Instructions; and

(b) be available to the commissioner upon request.

(3) The commissioner may engage a qualified actuary at the expense of the company to review the Actuarial Opinion and the basis for the opinion, and prepare, if requested, the supporting Actuarial Report or work papers if:

(a) the insurance company fails to provide an Actuarial Report upon request of the commissioner; or

(b) the commissioner determines that the Actuarial Report provided by the company is otherwise unacceptable to the commissioner.

R590-264-7. Confidentiality.

(1) A property and casualty insurance company filing an Actuarial Opinion Summary with the commissioner shall, at the time of the filing, request that all or a part of the Actuarial Opinion Summary it deems confidential be classified as a protected record under Section 63G-2-305(1) or 63G-2-305(2).

(2) A company making a confidentiality claim under R590-264-6(1) shall provide the commissioner with the filing information specified in Section 63G-2-309.

R590-264-8. Penalties.

A person found to be in violation of this rule shall be subject to penalties as provided under Section 31A-2-308.

R590-264-9. Enforcement Date.

The commissioner will begin enforcing this rule on the effective date of this rule.

R590-264-10. Severability.

If any provision of this rule or its application to any person or situation is held to be invalid, that invalidity shall not affect any other provision or application of this rule which can be given effect without the invalid provision or application, and to this end the provisions of this rule are declared to be severable.

KEY: property casualty insurance

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31A-2-201, 31A-4-113